

SENATE BILL 1347

By Haynes

An ACT to amend Tennessee Code Annotated, Section 29-20-403, relative to local government tort limits.

WHEREAS, the governmental entities covered by the Governmental Tort Liability Act provide a limited range of public services that include matters of public safety that are inherently risky services, such as fire protection and law enforcement; and

WHEREAS, the Governmental Tort Liability Act reflects the balance that the General Assembly has drawn between taxpayers who provide inherently risky public services and persons injured in accidents involving governmental entities; and

WHEREAS, the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) has recommended that local government tort liability limits be increased based upon Consumer Price Index increases since the limits were last increased; and

WHEREAS, TACIR has also recommended the creation of a catastrophic injuries fund to pay certain tangible costs above the tort liability limits, and the General Assembly in Chapter 964 of the Public Acts of 2000, required local government entities to report to the state treasurer on their tort liability activities; and

WHEREAS, information gathered by the state treasurer under Chapter 964 will determine the feasibility of a catastrophic fund; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF
TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 29-20-403, is amended by deleting Subdivision (b)(2) and substituting instead the following:

- (2) Minimum limits of not less than one hundred ninety-five thousand dollars (\$195,000) for bodily injury or death of any one (1) person in any one (1) accident, occurrence or act and not less than five hundred thirty thousand dollars (\$530,000) for bodily injury or death of all persons in any one (1) accident, occurrence or act, and seventy-five thousand dollars (\$75,000) for injury or destruction of property of others in any one (1) accident, occurrence or act. The provisions of this subdivision apply to any action arising on or after July 1, 2001.

SECTION 2. This act shall take effect on July 1, 2001, the public welfare requiring it.